GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2912
ANSWERED ON:20.03.2017
Promotion of Manufacturing Sector
Ahmed Shri Sultan ;Biju Shri Parayamparanbil Kuttappan;Sampath Shri Anirudhan;Thakur Shri Anurag Singh

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has any policy in place to promote manufacturing sector in the country, if so, the details thereof;

(b) whether the Government proposes to set up clusters for manufacturing of electronic equipments in the country, if so, the details thereof, State/ UT-wise;

(c) whether huge quantity of raw material and finished products are being imported from China, if so, the details thereof including the percentage of imports from China and other major countries during each of the last two years, country-wise; and

(d) the corrective steps taken by the Government to protect and promote the domestic manufacturing sector?

Answer

(a): Government notified the National Manufacturing Policy on 4th November, 2011 with the objective of enhancing the share of manufacturing in GDP to 25% and creating 100 million jobs over a decade or so. One of the key instruments to catalyse the growth of manufacturing is through the establishment of National Investment and Manufacturing Zones (NIMZs). Further, Government has put in place a liberal and transparent policy for Foreign Direct Investment (FDI), wherein most of the sectors including manufacturing are open to 100% FDI under the automatic route. Government has also permitted a manufacturer to sell its product through wholesale and /or retail, including through e-commerce under automatic route.

(b): Government notified the Electronics Manufacturing Cluster (EMC) Scheme in October 2012 to support creation of world-class infrastructure for attracting investment in the electronics sector. Under the Scheme, 13 applications for setting up of Greenfield EMC and 2 applications for setting up of Common Facility Centre(CFC) in Brownfield clusters have been accorded final approval. State Wise details of approved applications are Annexed.

(c): According to Directorate General of Commercial Intelligence and Statistics (DGCI&S), the import from major countries including China in percentage terms is as below:
(in Percentage)
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FY 2014-15 FY 2015-16 FY 2016-17
Upto January 17
China 13.48 16.20 16.44
USA 4.87 5.72 5.69
Saudi Arab 6.27 5.33 5.10
UAE 5.83 5.10 5.50
Switzerland 4.94 5.07 4.20
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(d): Government has taken several steps to protect and promote domestic manufacturing sector. These inter-alia, include 'Make in India' initiative under which thrust sectors have been identified to provide a push to manufacturing in India, 'Startup India' initiative and 'Ease of Doing Business'. Steps taken to improve ease of doing business include simplification and rationalization of existing rules and introduction of information technology, setting up of an Investor Facilitation Cell, launch of e-biz Portal and liberalizing policy for industrial license for defence industries. Government has taken up a programme of building pentagon of industrial corridors across the country with an objective to provide developed land and quality infrastructure for development of industrial townships.

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